

THE PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

DOCKET NO. 2006-107-W/S

IN RE:

Application of United Utility Companies,
Inc. for adjustment of rates and charges
and modifications to certain terms
and conditions for the provision of
water and sewer service.

**SURREBUTTAL TESTIMONY
OF ELAINE KING**

Q. Ms. King, what is your purpose in filing Surrebuttal Testimony in this matter?

A. **My purpose in submitting this Surrebuttal Testimony is to respond to portions of the Supplemental Rebuttal Testimony of Bruce T. Haas filed on behalf of United Utility Companies, Inc. (“United Utility”).**

Q. Please describe the portions of Mr. Haas’ Supplemental Rebuttal Testimony to which you wish to respond.

A. **On Page 2, lines 5 through 21, Mr. Haas attempts to explain why United Utility cannot charge for wastewater treatment based on consumption. Specifically, Mr. Haas contends that the wastewater treatment service provided by United Utility is not metered, and therefore, United Utility cannot measure the amount of water used by the University requiring treatment. Mr. Haas complains of the unreasonableness of requiring United Utility to charge for sewer services “based upon water consumption that is metered by a third party,” which third party Mr. Haas assumes is Blue Ridge Water Company who provides the University’s water service. However, Mr. Haas is incorrect in assuming that the water consumption would be metered by a third party. In fact, there are meters on either side of the University’s wastewater treatment facility which can be used by United Utility to measure the**

1 amount of water going into the facility from the University to be treated.
2 Accordingly, United Utility is entirely capable of measuring the University's water
3 consumption and therefore charging the University based on such consumption, as
4 opposed to a flat rate.

5 Q. Is there any other portion of Mr. Haas' testimony to which you would like to respond?

6 A. Yes. On Page 3, line 17 through Page 4, line 13, Mr. Haas testifies that United
7 Utility's facilities must be designed to handle the maximum amount of gallon flow
8 peaks, regardless of whether the actual flow level is low or high. Therefore, Mr.
9 Haas argues, United Utility is required to meet maximum flows at all times and
10 cannot "downsize [the] wastewater treatment plant ... because flows are low and
11 then upsize the facilities to handle the flows during normal periods of use."
12 Charging a flat rate is not the only reasonable means of meeting this requirement,
13 however, and the University is obviously not suggesting that the facility downsize
14 and upsize whenever the University's attendance fluctuates. Rather, charging for
15 service based on a customer's usage would allow United Utility to maintain their
16 facilities to accommodate maximum flow at all times and would also fairly charge
17 North Greenville University for the wastewater that is actually treated. Charging by
18 consumption in no way affects United Utility's ability to maintain a facility that can
19 meet maximum flow levels, but it ensures that the University will never be paying
20 for services which it does not need and which it does not use. Out of the four
21 universities in Greenville County, North Greenville University is the only one that is
22 charged for wastewater treatment services based on a flat rate. The other
23 universities in Greenville County are all charged based on usage – a per thousand
24 gallons rate. These other universities are subject to the same types of fluctuation in

1 **their attendance numbers as is North Greenville University, yet the company or**
2 **companies responsible for their wastewater treatment needs are fully able to charge**
3 **for such services based on the schools' particular needs at various times during the**
4 **year. Accordingly, Mr. Haas' arguments regarding the inability of United Utility to**
5 **accommodate a customer whose usage fluctuates over the period of a year are**
6 **flawed.**

7 Q. Is there any other portion of Mr. Haas' testimony to which you would like to respond?

8 A. **Yes. On Page 4, line 17 through Page 5, line2, Mr. Haas explains that United Utility**
9 **is the entity responsible for assessing the University's impact on the wastewater**
10 **treatment system and thus is the only party responsible for determining the number**
11 **of SFEs for which it will charge the University. Therefore, the University's SFE**
12 **assessment is in the sole discretion of the party who stands to benefit from such**
13 **assessment, which is patently unfair. The more SFEs that are charged to the**
14 **University, the more money United Utility stands to make from the University.**
15 **Accordingly, United Utility has a direct financial interest in the number of SFEs**
16 **assigned to the University and should not be the sole party responsible for**
17 **determining this number. If United Utility were to switch to a usage-based system of**
18 **charging the University, then the University would only be responsible for paying**
19 **for services which it actually uses and would not be subject to the unilateral and**
20 **potentially biased determinations of United Utility.**

21 Q. Does this conclude your Surrebuttal Testimony?

22 A. **Yes, it does.**